United Nations A/AC.253/7

General Assembly

Distr.: General
15 April 1999

Original: English

Preparatory Committee for the Special Session of the General Assembly on the Implementation of the Outcome of the World Summit for Social Development and Further Initiatives
First session
New York, 17–28 May 1999
Item 3 of the provisional agenda*
Preliminary review and appraisal of the implementation of the outcome of the World Summit for Social Development

Preliminary assessment of the implementation of the outcome of the World Summit for Social Development

Report of the Secretary-General

Summary

At its organizational session (19–22 May 1998), the Preparatory Committee for the Special Session of the General Assembly on the Implementation of the Outcome of the World Summit for Social Development and Further Initiatives decided that the task of the Committee is to review and appraise the implementation of the outcome of the Summit and to propose concrete actions and initiatives for further implementation of the Copenhagen commitments. The present report addresses the first task, and should be read in conjunction with document E/CN.5/1999/4, which was considered by the Commission for Social Development at its thirty-seventh session, in February 1999, and will be before the Preparatory Committee for its information. The present report contains updated information on implementation of each of the 10 commitments since December 1998.

A separate report on further initiatives for the implementation of the outcome of the Summit (A/AC.253/8) will also be before the Committee.

* A/AC.253/5.

99-10632 (E) 100599

Contents

		Paragraphs	*Page*
I.	Introduction	1–3	3
II.	Implementing the Copenhagen Declaration on Social Development	4–92	3
	Commitment 1. Creation of an enabling environment	4–18	3
	Commitment 2. Eradication of poverty	19–30	6
	Commitment 3. Promotion of full employment	31–41	9
	Commitment 4. Promotion of social integration	42–46	11
	Commitment 5. Achievement of equality and equity between women and men	47–54	13
	Commitment 6. Access to health and education services	55–63	14
	Commitment 7. Acceleration of development in Africa and in the least developed countries	64–69	17
	Commitment 8. Inclusion of social development goals in structural adjustment programmes	70–76	18
	Commitment 9. Allocation of resources for social development	77–85	19
	Commitment 10. International cooperation for social development	86–92	22
III.	Conclusion	93–94	23

I. Introduction

1. At its organizational session (19–22 May 1998), the Preparatory Committee for the Special Session of the General Assembly on the Implementation of the Outcome of the World Summit for Social Development,, in its decision 2 (b), requested the Secretary-General to submit to it at its first session a report on the implementation of the 10 commitments of the Copenhagen Declaration on Social Development, including the three core issues, at the national, regional and international levels.

2. A report on the preliminary assessment of the implementation of the outcome of the Summit was submitted by the Secretary-General to the Commission for Social Development at its thirty-seventh session, in February 1999 (E/CN.5/1999/4). The Commission considered and took note with appreciation of the report, and requested the Secretary-General to update the report before its submission to the Committee at its first session, in May 1999, reflecting the proposals and suggestions made during the discussions in the Commission as well as any additional inputs submitted by Governments.

3. The present report has been prepared in response to that request. It contains updated information under each of the 10 commitments, and should therefore be read as an addendum to document E/CN.5/1999/4, which is also before the Committee.

II. Implementing the Copenhagen Declaration on Social Development

Commitment 1. Creation of an enabling environment

Creating a favourable national and international political and legal environment

4. At its thirty-seventh session, the Commission for Social Development underscored the need to sustain social development efforts in the face of adverse economic conditions prevailing in many countries. It was recognized that social improvements must be an integral component of any effective development strategy at the national and international levels. It was also agreed that economic (including fiscal and monetary) policies pursued by Governments should support the attainment of social goals articulated at the Summit.

5. While Governments hold the primary responsibility for putting the vision of Copenhagen into practice, civil society and the private sector are important actors in facilitating the attainment of social targets. However, Governments must act through international, national, regional and local politics to create an enabling environment conducive to social development. The issue of government transparency and accountability has become a crucial element of the domestic social and political agenda.

6. The role of legislative bodies at all levels, including that of parliaments, is crucial for the implementation of social development policies and programmes. The Inter-Parliamentarian Union (IPU) sent questionnaires to all its members to ascertain the views of national parliaments on a number of specific issues relating to follow-up to the Summit at the national and international levels. The results of these responses were shared and discussed by representatives of parliaments, Governments and international organizations at the second IPU tripartite meeting, held in New York in March 1999. The meeting reviewed progress achieved in implementing the results of the Summit at the parliamentary level, discussed obstacles and successes, and identified and proposed further

initiatives to achieve the commitments made at Copenhagen. The report of the meeting will be made available to the Committee at its first session.

7. In the wake of global financial turmoil, there has been intensive analysis and reflection on the possible root causes of the crisis, particularly in the crisis-affected countries. The need to make governance systems more sound, accountable and transparent was recognized. Reform efforts in public policy have aimed at modifying the domestic institutional base and improving the responsiveness of Government to public needs and interests, including better prioritizing among these needs and interests. The efforts to achieve a substantial recovery envisioned the strengthening of the domestic "social compact", which includes broadening the policy dialogue between Government and other actors, including business and trade unions.

8. While ongoing efforts to reform the international financial architecture and improve economic management will reduce the risks of future crises, there is growing recognition of the need to proceed, in parallel, with efforts to strengthen social policies and institutions, including industrial relations systems and institutions for social dialogue. These measures are particularly important in countries that have recently made the transition from authoritarian political systems to democracy.

9. There has also been growing recognition in the crisis-affected countries that improving the institutional and legal framework, including a consistent campaign against corruption, extremism and organized crime, is essential for effective economic and social development. They will also have the benefit of decreasing the cost of foreign borrowing, as well as for attracting direct foreign investment again, since these have declined dramatically since the start of the Asian financial crisis. A stable and predictable environment in a host country is essential to increase confidence among foreign investors.

10. An important step in the fight against corruption and money-laundering has been the Organisation for Economic Cooperation and Development (OECD) Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, which came into force in February 1999. Apart from the 29 OECD member States who are signatories to the Convention, five non-OECD countries have also joined (Argentina, Brazil, Bulgaria, Chile and the Slovak Republic). Operating within a broad definition of corrupt practices, the Convention requires countries to impose sanctions on corporations or individuals who attempt to bribe foreign officials.[1] The United Nations Office for Drug Control and Crime Prevention continues to implement the global programme against money laundering, advising Governments about the design and enforcement of programmes which help to combat illicit activities on a worldwide scale.

11. At the annual session of the Commission on Narcotic Drugs held at Vienna in March 1999, an important decision was reached which aimed at enhancing the capabilities of the United Nations International Drug Control Programme, through satellite monitoring, to assess illicit crops being cultivated in major drug-producing countries. Acquisition of satellite capability by the United Nations will provide the international community with modern and reliable tools to identify the areas of illicit drug cultivation, enabling Member States to stop narcotics production at its source. Apart from new monitoring opportunities, the use of satellite surveillance can foster better cooperation among Member States in their fight against drugs through the creation of a surveillance system based on a widely accepted uniform methodology.

[1] According to an OECD news release, Paris, December 1998.

12. Access to information is an essential attribute of a democratic society. Information empowers all partners in social development and increases public awareness. For example, the lack of adequate information was an impediment to the design of policies to ease the Asian financial crisis. At a regional meeting on social issues arising from the East Asia economic crisis and policy implications for the future, held at Bangkok in January 1999, a consensus was reached on the need for improved data collection, information sharing and coordination mechanisms among the crisis-affected countries. It was acknowledged that the existing monitoring system failed to provide quick and reliable information on social changes stemming from the economic crisis and was not cost-effective.

13. In the face of the specific needs of high-risk groups among refugee populations, particularly women and children, several specific programmes for social integration have been implemented by the Office of the United Nations High Commissioner for Refugees (UNHCR). These include peace-building, assisting separated children and former child soldiers, education for girls, attempts to prevent sexual exploitation, and addressing the problems of adolescents as well as problems specific to women refugees.

Creating a favourable national and international economic environment

14. The global financial turmoil which affected many developing countries and economies in transition had enormous social costs, hurting tens of millions of ordinary citizens in a profound way. To protect the economic and social welfare of their populations, some countries were forced to take special measures, such as reimposing capital controls, while others began to reconsider the pace and scale of liberalization of their economies. One lesson of the crisis was that an appropriate international response was at least as important as identifying the best mix of macroeconomic policies at the national level.

15. A call for "new international financial architecture" to address the crisis-prone system of international finance has reflected, *inter alia*, the discrepancy between increasingly sophisticated and dynamic international financial markets and the lack of a proper institutional framework to regulate them.[2] Moreover, the speed and depth of the globalization process — which encompasses not only the financial, investment and trade spheres but also communication, tourism and culture — have confronted both national Governments and the international community with an urgent need to meet the new challenges to the social development agenda.

16. The ongoing debate about the shape of future institutional reforms has been enriched by specific proposals made by the international agencies. For example, the World Bank recently advocated a new "holistic" development framework integrating macroeconomic and financial considerations, on the one hand, and structural, institutional, social and human considerations on the other. Integration of these elements is imperative at the international level, as well as nationally. Since this integration of economic and social policies is a crucial factor in making the modern market economy work it should underpin the creation of any new financial architecture.[3] The International Labour Organization (ILO) Declaration on

[2] See "Towards a new international financial architecture", report of the Executive Committee on Economic and Social Affairs of the United Nations, New York, 21 January 1999.

[3] See James D. Wolfenson, "Comprehensive development framework: a discussion draft" (World Bank, 1999). According to the President of the World Bank, it is not just a matter of getting exchange rates right or fixing fiscal policy, important as they are. It is about putting in place the broad range of institutional underpinnings needed to make a market economy work, not forgetting those elements that protect the vulnerable and the weak (see "Foundations for a more stable global system: remarks on the symposium on global finance and development", accessed at http:/www.worldbank.org/htm/extdr/extme/jdwsp030199.htm).

Fundamental Principles and Rights at Work provides a sound basis for integrating social and labour concerns into the international development framework and the international financial architecture. The unacceptable and unsustainable social costs of recent financial crises have stimulated intensive discussion during the past months within the United Nations system, including the World Bank, on principles of good social policy to be applied at both national and international levels.

17. Despite numerous economic and social strains caused by the financial crisis, many developing countries have not abandoned their commitment to reform. For instance, in Latin America, reforms aimed at improving the structure of tax systems and eliminating incentives for tax evasion have been introduced or continued in Argentina, Brazil, Colombia, Ecuador and Mexico. The privatization process has continued, although at a slower pace and with closer scrutiny in terms of potential gains. Labour market reforms, as well as reforms of retirement programmes, have also been undertaken by a number of countries of the region.[4]

18. However, a prolonged slump in commodity prices, coupled with overall weakening of the world demand for manufactured goods, remains a major threat to the economic recovery of many developing countries. Slower economic growth, in its turn, has been negatively affecting job creation and anti-poverty efforts. The economic slowdown has had very visible social repercussions, affecting lower-income groups in a particularly severe way. At the same time, there has been a growing recognition that while the restoration of robust economic growth is clearly an essential prerequisite in overcoming the after-effects of recession, Governments should not view social policy as a matter of secondary importance in relation to economic policy measures. The poor and vulnerable groups often require immediate assistance at a time when economic after-shocks may be felt for a substantial time. The need for public programmes specifically tailored to the circumstances of crisis-hit countries has become apparent. Similarly, prompt action in favour of social policy is less costly in both human and financial terms than delaying such action so that it follows rather than accompanies economic reform.

Commitment 2. Eradication of poverty

19. While overall living standards have increased dramatically over the last 25 years, three billion people are still living on less than $2 a day, with growing inequity between the rich and the poor.[5] World population has grown rapidly — from 3 billion people in 1960 to an estimated six billion now — and many have been born in and remain in poverty.[6]

20. If the goal set by the Development Assistance Committee of the OECD of halving absolute poverty by the year 2015 is to be achieved, then new responses are required. The follow-up process to the Summit is expected not only to *set* achievable goals but also to propose *how* these goals are to be realized. Strategies to eliminate poverty have focused on the following main directions: first, implementing macroeconomic policies which combine economic growth with greater equity in income distribution; second, promoting decent employment and incomes in both the formal and informal sector; third, ensuring access to affordable basic social services; fourth, putting in place social safety nets for vulnerable groups or those excluded from the labour market; and fifth, fostering organization, empowerment and participation of the poor to advance their best interests.

---

[4] See Inter-American Development Bank, 1998 annual report (Washington, D.C., 1999).

[5] See World Bank, "A proposal for a comprehensive development framework", January 1999.

[6] Based on Department of Economic and Social Affairs data accessed at http://www.popin.org/pop1998/4.htm.

21. Recent financial crises demonstrated the close relationship between poverty and the rate of economic growth. In Indonesia, for example, where gross domestic product (GDP) is estimated to have fallen by 15 per cent in 1998, the numbers falling back into poverty, measured using a poverty line of $1.25 a day, is expected to more than double to about 56 million. Using poverty lines of $2 a day for Thailand and Malaysia and $1 a day for the Philippines, the World Bank estimates the increase in poverty to be 2.3 million in Thailand, 500,000 in Malaysia and 665,000 in the Philippines.[7]

22. It is instructive to juxtapose the current crisis with the impressive gains made by a number of Asian countries in poverty alleviation during the past decades. From 1975 to 1995, during two decades of sustained economic growth, the number of people living in poverty fell from 569 million to 269 million in China, from 87 million to 22 million in Indonesia, from 2.1 million to less than 200,000 in Malaysia and from 3.4 million to less than 500,000 in Thailand. The deterioration in both economic activity and equity is bringing poverty levels in most crises-affected Asian countries back to the levels of the early 1990s, eliminating the effects of 10 years of growth.[8] In fact, the impact of economic crisis may have an irreversible social impact, meaning that even when economic growth is restored, societies could be left permanently impaired due to malnutrition and lack of schooling. The financial crisis has had an uneven and destructive impact on different sections of society. Equally worrisome is that even when economic indicators improve, social recovery lags far behind.

23. Priority actions to protect the poor during crises include: allocation of income to the poor through direct cash transfers and labour-intensive public works for the unemployed; ensuring food supplies through direct transfers and price subsidization of essential commodities; preserving the human capital of the poor through programmes in health, nutrition and education; and providing training opportunities, job search assistance and self-employment opportunities supported by micro-credit schemes.[9]

24. Such programmes must take into account the distinct needs of different social groups if they are to achieve the desired impact. Evidence indicates that national crisis-relief measures in East Asian countries, such as public works, have disadvantaged women. In some public works schemes, there has been little enforcement of women's right to work and participate alongside men. Similar patterns have been observed in other income maintenance schemes.[10]

25. Taking into account lessons learned during the crisis, some countries of the region have initiated a programme of financial support for small and medium enterprises as a poverty reduction tool to improve the informal sector employment-generation capacity. Malaysia, for example, set up Amanah Ikhtiar Malaysia (AIM), a microfinance institution, funded by the government agencies. Since the outbreak of crisis, AIM has increased the number of loans by about 21 per cent and its loan volume by 67 per cent.[11]

---

[7] See World Bank, *Global Economic Prospects and the Developing Countries, 1998/1999: Beyond Financial Crisis* (1999).

[8] Ibid.

[9] See World Bank, *Global Economic Prospects* ....

[10] See World Bank, "Employment generation and income maintenance: social impact of the Asia crisis", draft, January 1999; accessed at http://www.worldbank.org/poverty/eacrisis/library/soccimplp2.htm.

[11] See World Bank, "Microfinance institutions/small and medium enterprises: social impact of the East Asian crisis", draft, January 1999, accessed at http://www.worldbank.org/poverty/eacrisis/library/soccimplp3.htm.

26. The reasons for Asia's strong past record in poverty alleviation do not lie in economic growth alone. Strong growth was accompanied and indeed preceded by a relatively equal distribution of income, and policies to invest in education, health services, rural development and labour-intensive growth. In regions where income distribution is more unequal and investment in human capital is minimal, economic growth is less likely to result in substantial declines in poverty. The fact that economic crisis and attempted adjustment in Africa, Eastern Europe and Latin America have resulted in greater income inequality during the post-crisis period[12] leads to a legitimate concern that poverty and inequality will likewise increase in the aftermath of the Asian crisis.

27. At the international level, apart from the urgent financial support for the crisis-hit countries, attention has been focused on the weaknesses of poverty monitoring framework and of the impact-assessment capability of national and international institutions. At a regional meeting on the East Asia economic crisis (Bangkok, January 1999), (see para. 12 above), it was concluded that priority should be placed on monitoring the irreversible effects of the crisis, such as increased malnutrition, loss of employment, school drop-outs and sale of land and other assets; and priority should be placed on identifying the most vulnerable groups in each country, such as ethnic minorities, disabled population, illegal migrants and workers in the informal sector.[13]

28. Poverty is multidimensional and must be evaluated not only in terms of levels of income and wealth alone but also in terms of social welfare, as measured by school enrolment, adult literacy, life expectancy, child mortality and access to safe water and health services. While most countries have made strong improvements in all of these areas, a number have regressed, showing that progress in poverty alleviation is far from automatic and requires a combination of political will, social stability and additional resources. For example, while school enrolment rates for developing countries have increased from 46 to 57 per cent between 1980 and 1995, they have dropped or remained stagnant in 18 middle and low-income countries. Many of the countries which have seen a deterioration of social welfare have cut back funding for social services due to economic reform, or have been subject to armed conflict and political unrest. The latter factors show that poverty cannot be solved by economic growth alone: sustainable solutions must also take into account cultural, social, political and ethnic dimensions.

29. Despite the fact that the majority of the world's poor still live in rural areas, the rapid urbanization of the developing world has raised awareness of the problems associated with urban poverty, including increasing levels of slum housing, unprotected and informal employment, street children and child labour, crime, drug abuse and homelessness. Urban poverty affects countries at all levels of development, albeit in different ways and scope. A number of initiatives to combat urban poverty are being taken by the United Nations system, in collaboration with municipal governments, civil society and bilateral development organizations. Two major international meetings on urban poverty were held at Recife, Brazil, and Florence, Italy, in 1996 and 1997 under the auspices of the United Nations Centre for Human Settlements (Habitat) and a number of other partners. The United Nations Development Programme (UNDP) has also assisted in supporting a world alliance of cities against poverty, which held its first major international meeting at Lyon in October 1998.

30. The World Bank proposal for a comprehensive development framework (see para. 16 above), released in January 1999, addresses prerequisites for poverty alleviation and sustainable development through a matrix of specific actors and interventions involving

[12] See World Bank, *Global Economic Prospects* ....

[13] Based on information accessed at http://www.worldbank.org/poverty/eacrisis/meeting/group1.htm.

structural, human, physical and sector-specific strategies. This framework is seen to be a necessary complement to macroeconomic considerations, and places strong emphasis on participation and partnership.

Commitment 3. Promotion of full employment

31. Four years have elapsed since the international community committed itself to promote the goal of full employment as a basic priority of economic and social policies. However, the world employment situation remains grim, with over 150 million workers unemployed and with an additional 25 to 30 per cent of the world labour force of three billion people underemployed.[14]

32. In recent years, a number of African economies have made a fragile recovery from a protracted period of stagnation. However, with growth of output in Africa projected to slow to about 2 per cent in 1999 — below the level of population growth — this modest recovery is already being threatened by international financial crises, declining commodity prices and regional conflicts. Furthermore, employment growth in Africa has not kept pace with new entrants to the labour force and most of the new jobs have been created in the informal economy, which is plagued by low productivity and underemployment. Although Latin America's economic performance improved in 1996–1997, unemployment rates remained high, with a growing proportion of non-agricultural employment in the informal sector. Despite moderate economic growth in the industrialized economies, overall unemployment rates have been close to 8 per cent and above 10 per cent for the European Union. For the OECD countries, the unemployment rate is expected to fall only very slowly through 1999 to about 7 per cent, with more than 35 million job seekers. Open unemployment continues to be high in the transitional economies, and the situation is exacerbated in some cases by a growing number of drop-outs from the labour market altogether. Finally, the Asian financial crisis which started in Thailand in July 1997 and soon spread to other newly industrialized countries in South-East and East Asia has underscored the vulnerability of these once high growth and full employment economies, where unemployment rates have doubled and even tripled in the space of a few months. Therefore, while employment creation remains a high priority of countries throughout the world, much remains to be done to put these policies into practice.

33. A number of major international meetings continue to emphasize the centrality of employment to national and international social and economic policy. The Group of Eight Major Industrialized Countries Conference of Ministers of Labour, meeting at Washington, D.C., in February 1999, considered the theme "Labour policies in a rapidly changing global economy". The ministers agreed that global economic growth must take place under conditions of social justice and called for the universal respect of core labour standards. The Conference advocated strategies that support employability, promote entrepreneurship, enhance the adaptability of workers and firms, and ensure equal opportunities for men and women to participate in the world of work. These strategies require the integration of employment policies at the national and international levels. The ministers also saw the need to make better use of international organizations to help establish the labour market institutions and strong safety nets necessary to enhance growth, employment and social cohesion.

[14] See ILO, *World Employment Report 1998–1999, Employability in the Global Economy: How Training Matters* (Geneva, 1998); and Eddy Lee, *The Asian Financial Crisis* (Geneva, International Labour Organization, 1998).

34. Similarly, the heads of State and Government of the Group of Fifteen, meeting for their ninth summit in Jamaica in February 1999, called upon the ILO to launch a comprehensive employment strategy at the ministerial level later in 1999. They furthermore resolved to collaborate with all social partners in the ILO tripartite framework to achieve this objective. An employment strategy, including the right to work, should strengthen respect for internationally recognized fundamental ILO conventions on workers rights.

35. The ILO will convene the Second Enterprise Forum in November 1999. This Forum will bring together representatives from employers' and workers' organizations to examine the changing market place, human resource-based competitive strategies, corporate citizenship and social initiatives, and tapping the employment potential of small enterprises. This Forum, with its broad-based participation of economic actors from the private and public sectors and civil society can be expected to provide inputs into Summit follow-up in the fields of employment generation, social initiatives and codes of conduct for the private sector.

36. The ILO has organized between January and March 1999 a series of four regional consultations (Asia, Central and Eastern Europe, Western Europe and Africa) on the follow-up to the Summit, with a fifth consultation for the Arab region planned for September 1999. These consultations, which included social partners and observers from international financial institutions, synthesized the findings and drew lessons from a series of country employment policy reviews. The country employment reviews are intended to help countries give substance to their Summit commitment on employment through an appropriate choice of economic and social policies and through the establishment of efficient social institutions and the necessary legal framework. The focus of discussion has been on the role of enterprises in job creation, investment in human resource development and workforce skills to enhance employability, employment policy and gender equity, and policy and institutional reform to promote full employment and social protection within the framework of globalization. These regional meetings will feed into an international consultation on follow-up to the Summit, to be held at Geneva from 2 to 4 November 1999.

37. Youth unemployment has become a major policy concern for countries at all levels of development, which now recognize that it is not a transitional phenomenon. Prolonged spells of unemployment in early adult life are likely to have negative consequences for both the individual and society at large. Unemployment among the young is also closely related to crime, drug abuse and social unrest. The 1998 International Labour Conference adopted a resolution on youth employment which calls for an international strategy for youth employment, creating a database on youth employment and disseminating best practice information and research on employment initiatives for youth. OECD organized a conference on the theme "Preparing youth for the twenty-first century: policy lessons from the past" (Washington, D.C., February 1999). The meeting addressed the problems facing young people entering the labour market, and reviewed the current policies directed at aiding them to find and stay in work.

38. The ILO *World Employment Report 1998–1999* focuses on training and employability in the global economy. The report argues that competitiveness in the global economy requires investments in high value-added and knowledge-intensive sectors, with a commensurate need to invest in education and skills of the workforce. Special measures are required to increase the employability of vulnerable groups, including youth, the long-term unemployed, older displaced workers and workers with disabilities.

39. Also, the continued growth of the informal economy in many developing, transitional and even industrialized countries requires new policies — in training, credit and institutional support — to increase productivity, incomes and social protection in this sector. Whereas

the informal sector can be seen as offering alternative employment opportunities not available in the formal sector, a type of employer of last resort, it is often characterized by low productivity and pay and exploitative working conditions. The recent financial crisis in Asian countries, such as Thailand and Indonesia, has highlighted the l ed capacity of the informal sector, once viewed as a traditional social safety net, to provide retrenched workers and new entrants to the labour market with productive employment. Trade unions, local governments and other civil society actors are increasingly concerned by the growth of informal forms of employment, and are working in partnership to help organize informal sector workers and to develop a more supportive regulatory environment to improve their incomes and working conditions. Further actions are required to assist emerging informal sector organizations in gaining access to existing support structures, improving social protection for their members and taking greater advantage of new business opportunities. The entire legal and regulatory environment governing the informal sector, in fact, needs to be reformed with the aim of recognizing, mainstreaming and indeed promoting self-employment and the small-scale, informal private sector.

40. The work of the Office of the Special Coordinator for Africa and the Least Developed Countries (OSCAL) is most relevant in this respect, trying to put the informal sector high on the policy agenda of African Governments. In 1997, an international and heterogenous informal sector task force initiated by OSCAL formulated and adopted a special support programme for the informal sector in Africa. Recently accompanied by action programme for poverty reduction through the promotion of the informal sector and employment, OSCAL convened an expert meeting at Banjul in December 1998 to devise strategies to improve productivity and competitiveness in the informal sector in Africa. In particular, lessons from Asia were drawn relating to policy reform and concrete ways to support informal sector units.

41. A number of countries at all levels of development have embraced public or community works programmes as a social safety net for retrenched or displaced workers following financial crises, economic reform or man-made or natural disasters. Whereas the emphasis is often placed on emergency employment creation, such programmes have provided the opportunity to transform safety nets into springboards for sustainable development. To do so, they must put a premium on cost-effective and high quality infrastructure, involve partnerships between the private and public sectors, and provide management and technical training to foster productivity and sound working conditions.

Commitment 4. Promotion of social integration

42. As indicated in document E/CN.5/1999/4, many countries have taken steps after the Summi to promote and enhance social integration. By its nature, social integration is a long-term endeavour. National implementation activities in this area are an ongoing process, often focused on translating either constitutional or recently adopted political commitments to equity and equality of opportunity into specific laws, regulations, support programmes, educational and awareness campaigns and other actions. In the wake of the financial crisis, increased attention has been given to the creation of mechanisms that could prevent social disruptions or marginalization caused by economic shocks, particularly by devising some safety net schemes which are better suited to adverse economic conditions.

43. However, in the context of the Copenhagen vision that the aim of social integration is to create "a society for all" in which every individual, each with rights and responsibilities, has an active role to play, there was a shift in thinking in this area in connection with the issue of social services as manifested at the thirty-seventh session of the Commission for Social Development. This paradigm shift underlines the move from a "safety net" to a

"springboard" approach, i.e., a move from a system which merely provides assistance to people in need towards a system which seeks to empower people. It is within this context that programmes and activities for social integration should be conceived and effectiveness measured. In this vein, the agreed conclusions adopted by the Commission at its thirty-seventh session state that the major objective of social services is to contribute to and facilitate greater equity and equality of opportunities for every member of society in order to promote the strengthening of social cohesion and avoid social exclusion. Social services and all other action to promote social integration are therefore important and beneficial to the entire society and not just to the people who derive direct or identifiable support from them. Thus, for example, a society aims to have educated, healthy children for its own sake as well as for theirs.

44. It has been widely recognized, nationally and internationally, that the existence of strong and transparent institutions is a prerequisite for an inclusive society based on the rule of law, respect for all human rights and fundamental freedoms, cultural and religious diversity, social justice and democratic participation, which takes into account the special needs of vulnerable and disadvantages groups. Effective social, political and legal institutions, respected by all and serving all members of society equally and fairly are not only essential components of a well-integrated society but also an important venue as well as communication channel for various groups with different interests to avoid conflicts and achieve mutual respect and harmony. The role of institutions is also crucial in implementing some redistribution of the fruits of economic growth which all societies undertake in order to achieve better social cohesion and equity.

45. In the face of demographic shifts and a growing proportion of older persons in the population structure of many countries, the issue of sustaining social cohesion between generations has become increasingly important. Through gradually changing pension systems and welfare programmes, some countries strive to provide a framework that would make adjustments to new demographic realities less painful for the society at large. In other cases, measures to remove bottlenecks in youth employment, introduction of employment-sharing schemes and other work arrangements aimed at increasing the flexibility of the labour market as well as widening employment options have sought to minimize the number of people falling into social marginalization. The effectiveness of these measures in terms of social integration and equity considerations varies from country to country. In some cases, inequality in earnings/wages and consequently disparity in household incomes has increased, while unemployment rates have stayed at historically high levels. One corollary is that labour market mechanisms need to be constantly perfected in order to remain an effective tool of social inclusion.

46. Numerous recent meetings at the United Nations and other international forums have paid special attention to the social aspect of globalization, including its actual or potential marginalizing effects on countries and individuals. The need for giving a higher priority to combating inequality, inequity and exclusion in the context of globalization has been recognized by the World Bank as one of most important development challenges of our time. In the same vein, the Chair of the OECD Development Assistance Committee, in the most recent 1998 report on development cooperation, observed that globalization that marginalizes many individuals and entire regions of the world, including regions with the fastest population growth, risks exacerbating already disturbing inequalities in wealth and income between countries and within countries, and hampering the fight against poverty.[15]

[15] See OECD, "Development cooperation: efforts and polices of the members of the Development Assistance Committee" (OECD, Paris, 1999).

These developments create new complexities which render appropriate policy-making much more difficult to achieve without reducing the urgency of the task itself.

Commitment 5. Achievement of equality and equity between women and men

47. Given the central role of the gender dimension in development, a systematic review of the achievements made in gender equality in relation to each of the commitments of the Copenhagen Declaration will contribute to advancing the goal of gender equality.

48. It is now recognized that redressing gender inequality will require significant new conceptual and practical approaches in order to mainstream gender equality at the levels of formulation and implementation of projects and programmes. One major institutional change in society that is required for ultimate gender equality is universal access to education for girls. Given the significant gender dimension of poverty, it will not be possible to achieve poverty alleviation or human development without gender-sensitive policies at the highest level of government.

49. At its thirty-seventh session, in considering the topic of social services for all, the Commission for Social Development reiterated that the elimination of discrimination against women and the empowerment and full participation of women in all areas of life and at all levels should be priority objectives at the national as well as the international levels, and an intrinsic part of social development. It also agreed that social services should be gender-sensitive and designed to take into account and serve the specific needs of girls and women. Public agencies and non-governmental organizations should involve women at all stages of decision-making in the planning, management and delivery of social services. Women, especially in developing countries, often bear the negative consequences and the brunt of responsibilities resulting from a lack of social service provision. Policies should recognize their contributions and provide them support in these roles.

50. There is ample evidence that the causes and experiences of poverty are different for men and women. Whether it be in terms of food and nutrition, infant mortality, education or child-rearing responsibilities, there are great burdens on women. Therefore, in order to effectively integrate the perspective of women in the formulation and implementation of development plans, policies and programmes, ways must be found to empower women at all levels of government and civil society. In some countries of South Asia and in Europe, efforts have been made to implement institutional change in order to give substantial voice to women. In Bangladesh, for example, 10 per cent of nominated parliamentarians are women. In India, a move is current to introduce a quota of 30 per cent for women members of the Parliament. The Nordic countries, which impose a gender ratio of 40/60, require that no party give less than 40 per cent of seats to either gender.

51. At its forty-third session, the Commission on the Status of Women gave priority consideration to the need to improve women's health and to strengthening institutional mechanisms to promote equality and equity between women and men. The agreed conclusions of the meeting reaffirmed, *inter alia*, that universal access to quality, comprehensive and affordable health care, including reproductive and sexual health of women throughout the life cycle, are essential requirements for the implementation of the Beijing Platform for Action. Given the fact that the incidence of human immunodeficiency virus/acquired immunodeficiency syndrome (HIV/AIDS) is a major concern of the global community, the international and national communities have been called upon to support public education and advocacy and to secure the highest level of political commitment. The goal of prevention, research, care and treatment of sexually transmitted diseases and HIV/AIDS should be given priority attention. The Commission also emphasized that in order to make a significant impact in improving the health status of women, major efforts will

be required to bridge the gap between commitment and implementation, formulate policies favourable to investment in women's health and intensify efforts to meet the targets identified in the Beijing Platform for Action.

52. With regard to institutional mechanisms for the advancement of women, the Commission recognized that gender mainstreaming is a tool for effective policy-making at all levels and not a substitute for targeted, woman-specific policies and programmes. National Governments have been called upon to provide strong political commitment to strengthen national machineries at the highest possible level of Government, including allocation of the necessary financial and human resources.

53. Many countries have put in place a monitoring mechanism in order to follow progress made in achieving gender equality. Developing effective indicators for gender equality is a major challenge for these countries. Such indicators should provide facts and trends in an objective and analytical fashion in order to serve the countries in formulating and implementing projects and programmes that will mainstream gender in the most equitable fashion possible.

54. In the area of employment, Women in Informal Employment: Globalizing and Organizing (WIEGO), an international network of womens' organizations, academics and development workers, held their first meeting at Ottawa from 12 to 14 April 1999. WIEGO is supporting better organization, incomes and social protection of women employed in the informal economy throughout the world. The meeting addressed such issues as urban policies for the informal sector, global markets and home-based workers, informal sector statistics and social insurance.

Commitment 6. Access to health and education services

55. In 1998, the World Health Assembly endorsed the new global health policy "Health for all in the twenty-first century" which is a continuation of the "Health for all" initiative and is aimed at meeting the major challenges in health during the next decades. This initiative, developed by the World Health Organization (WHO) in consultation with all its national and international partners, involved member countries, United Nations organizations, the academic and research community and a wide variety of non-governmental organizations. In recognizing health's contribution to development, the initiative also reflects the outcomes of the major United Nations conferences, including the World Summit for Social Development. The goals of the initiative include an increase in life expectancy and the quality of life for all; improved equity in health between and within countries; and access for all to sustainable health systems and services. It includes strengthened support for four key values: human rights, equity, ethics and gender sensitivity.

56. Time-bound global health targets were set for health equity; survival (maternal mortality rates, child mortality rates); eradication and elimination of certain diseases; reversing global trends of major pandemics; improving access to water, sanitation, food and shelter; development and implementation of national "Health for all" policies; improved access to essential health care; implementation of global and national surveillance systems; strengthening health information systems; and supporting research for health. Specific indicators will be chosen to measure progress towards achievement of the targets. Regional and national targets are also envisaged within the framework of the global policy. Selected targets include economic well-being and poverty reduction; social development, including primary education and gender equality; and environmental sustainability. To implement

the goals and targets of the initiative, action will be undertaken at the global, regional, national and local levels.[16]

57. Among major health concerns, tobacco is predicted to be one of the leading causes of disease burden in the next century. According to WHO estimates, there are currently 3.5 million deaths a year from tobacco-related diseases, which are expected to increase to about 10 million by 2020. Some 70 per cent of those deaths will occur in developing countries. WHO has established a project, the "Tobacco-free initiative", to coordinate a global strategy response to tobacco as an important health issue. The long-term mission of global tobacco control is to reduce smoking prevalence and tobacco consumption in all countries. WHO is working with the World Bank, the United Nations Children's Fund (UNICEF) and other partners to strengthen control and taxation polices and initiate a ban on advertising. Early in 1999 at the World Economic Forum at Davos, Switzerland, the Director-General of WHO announced a new anti-tobacco partnership project in the European region with three major pharmaceutical companies. This project is open to both private, non-commercial and public sector partners.

58. A need to forge better partnerships between international organizations and the private sector in the field of health has been underscored by recent findings about a highly skewed pattern of health research in the world. According to the Geneva-based Global Forum for Health Research, less than 10 per cent of the $56 billion allocated annually to medical research in the world is aimed at the health problems which affect 90 per cent of the world's population.[17] For example, while pneumonia, diarrhoea, tuberculosis and malaria account for more than 20 per cent of the disease burden of the world, they receive less than 1 per cent of the resources allocated to health research.[18] The poor commercial prospects for development of some drugs, which are in great demand in many low-income countries (for example, anti-malaria drugs) are a disincentive to research funded by pharmaceutical companies based largely in developed countries. When there is an obvious market failure, research partnerships involving funds from various sources are not only desirable but necessary. These partnerships will represent a concrete step towards achieving the major goals set by the international community, namely eradicating, eliminating or controlling major diseases constituting global health problems, in accordance with paragraph 6.21 of Agenda 21, and reducing malaria mortality and morbidity by at least 20 per cent compared to 1995 levels in at least 75 per cent of affected countries, as reiterated in the Copenhagen Programme of Action.

59. Recognizing that current plans and actions are insufficient to control the spread of the HIV/AIDS pandemic, in particular in Africa, the Secretariat of the United Nations Programme on HIV/AIDS (UNAIDS) and its co-sponsors (UNICEF, UNDP, the United Nations Population Fund (UNFPA), the United Nations Educational, Scientific and Cultural Organization (UNESCO), WHO and the World Bank) created in early 1999 the International Partnership Against HIV/AIDS in Africa. The overarching goal of the Partnership is aimed at urgently mobilizing Governments and civil societies to redirect national and international policies and resources towards addressing this evolving epidemic in the African region and its many implications. The core actions include youth education and mobilization, voluntary counselling and testing, community standards of care and treatment of people with HIV/AIDS, and special services for families with orphans.

[16] See WHO, proceedings of the Fifty-first World Health Assembly, May 1999.

[17] See *The 10/90 Report on Health Research 1999* (Geneva, Global Forum for Health Research, 1999).

[18] Ibid.

60. In the area of education, the East Asian crisis is having a profound impact. Families tend to withdraw their children from school due to declining incomes and inability to pay school fees. Falling enrolment and rising drop-out rates are observed. A preliminary survey in Indonesia shows that overall enrolment at the junior secondary school level has fallen by 2.3 per cent in 1998/99, and by the much larger level of 6.2 per cent in urban areas. Enrolments for girls entering first grade junior secondary school at Jakarta saw even greater declines (by 19 per cent). The Government has sharply increased basic education spending during this time of economic crisis. The basic education budget for 1989/99 increased in real terms by 55 per cent. To achieve the increase for basic education, allocations for other education subsectors have been reduced. The Government has launched a $390 million "Stay in school" national campaign to provide scholarships to about 2.5 million of the poorest junior secondary students. In Thailand, a special study conducted by UNICEF indicates that attendance has fallen. A large share of drop-outs are leaving the system at the transition points to higher levels of schooling.[19] The highly subsidized student loan has been doubled and additional grant scholarships are being made available. In addition, public schools are allowing students to continue in school without paying fees. In the Philippines, greater emphasis has been placed on increasing the shares of government funding to education, and on improving educational quality.

61. At its thirty-seventh session, the Commission for Social Development adopted a set of agreed conclusions on social services for all, which reiterated the time-bound targets set by the Summit in achieving universal primary education by the year 2015, and for improvements in infant, child and maternal mortality and in life expectancy. The Commission agreed that achievement of these commitments requires substantial improvement in access, delivery, quality and financing of social services, and recommended that the General Assembly at its special session reinforce those commitments by considering national strategies and supportive international policies necessary for their achievement.

62. The global exercise to assess the progress made in basic education during the 1990s is continuing. Since the launching of the "Education for all 2000 assessment" was launched last year, groups have been set up in all regions to organize regional assessment activities and mobilize and assist this process at the country level. Currently, some 50 countries have launched national assessments. The worldwide review of basic education will include also thematic studies on educational issues of global concern and case studies on the literacy and educational attainment of young people and adults. Surveys of the conditions of teaching and learning in primary schools are planned for a number of developing countries.[20]

63. An ad hoc inter-agency meeting on basic education and social development was held at UNESCO headquarters in Paris on 15 and 16 December 1998. The meeting provided an opportunity to exchange views and information on the 2000 assessment of basic education and review of the outcome of the Summit, and identify areas of future cooperation and synergy. UNESCO will present a report on the assessment to the Committee at its second session in the year 2000, which will evaluate progress in the area of education and will also be useful in identifying further international action in support of the goals.

[19] See World Bank, "Thailand social monitor: challenge for social reform", January 1999.

[20] See UNESCO, *EFA 2000*, No. 34, January–March 1999.

Commitment 7. Acceleration of development in Africa and in the least developed countries

64. Despite the improved economic performance of a number of African countries over the past few years, many countries in the region are affected by external and internal shocks which seriously inhibit growth. External factors include the East Asian crisis, the effects of El Niño on eastern Africa, weak commodity prices and high debt, while political instability, corruption and a resurgence of conflicts in several countries continue to pose a major threat to sustained economic growth and development in the region. According to the Economic Commission for Africa (ECA), improved growth of GDP in African countries since the Summit has not generally been matched by recovery of expenditure or quality in the social sectors, such as education and health care.

65. The East Asian crisis has impacted negatively on Africa's largest oil exporters (Nigeria, Angola and Gabon). These countries are experiencing a deterioration in their terms of trade and a fall in fiscal receipts as a result of lower oil related revenues following the fall in the world demand for oil. The picture is equally gloomy for non-oil exporters, who depend largely on export earnings from agricultural commodities, such as cocoa, coffee, cotton and groundnuts, whose prices have also sharply fallen. Many of the exporters of these commodities have suffered large falls in their income and earnings. Real GDP per capita in sub-Saharan Africa fell by an average 0.2 per cent during the period 1991–1997, and is estimated to have fallen an additional 0.5 per cent in 1998. Current forecasts foresee only a small 1.0 per cent average annual growth for the period from 1998 to 2000.[21]

66. Foreign direct investment, which had grown to about $4 billion in 1997 and is directed mainly to the minerals and metals sector, is likely to decline in response to falling commodity prices and to the shrinking profitability of firms in industrial countries as the world economy slows. Since only a small increase in investment as a share of GDP is projected for the region, leaving Africa with the lowest investment share in GDP among developing countries, efforts to improve output will have to come from greater efficiency in resource use.

67. One means for achieving greater efficiency in resource utilization is through the adoption of employment-intensive methods for investments in basic infrastructure. A number of African countries are adopting such methods for investments, such as rural access roads, afforestation, land restoration, agricultural development, slum improvement and urban upgrading schemes, which specifically benefit the poor. Research from operational programmes has shown these technologies to be both cost-effective and of high quality when compared with machine-based methods provided that they are undertaken with good working conditions, appropriate light equipment and supported by technical and management training. Furthermore, labour-intensive public works can be effective for creating employment and productive infrastructure not only in situations linked to war, natural disasters or economic emergencies but also in a variety of regular investment programmes which can provide sustainable employment to those working in agriculture or in the informal economy. In order to maximize the employment impact of infrastructure investments, a number of African Governments, including those of Uganda, Guinea, Madagascar, Senegal and Togo, are planning to set up labour-based policy promotion units. Such units would be established within ministries responsible for investment decisions but would have steering committees, including the labour ministry and representatives from employer and worker organizations.

[21] See World Bank, *Global Economic Prospects ...* .

68. As indicated by document E/CN.5/1999/4, the inherent weaknesses in African and other least developed country economies continue to pose a serious constraint to sustained economic growth and development. These include low savings and investments; underdeveloped markets; the decline in manufacturing output due to sagging domestic demand; the heavy debt burden; the continued decline in official development assistance (ODA) and marginalization in world trade. In view of this, the 1997 report on Africa prepared by OSCAL has called attention to the critical issues that continue to affect the implementation of the United Nations New Agenda for the Development of Africa in the 1990s (UN–NADAF). These include the negative effects of globalization, the need to enhance coordination of efforts in the mobilization of financial resources, the diversification of Africa's economies, and the harmonization of various multilateral and bilateral initiatives on Africa.

69. At the regional level, United Nations agencies and other partners continue to contribute to the implementation of the Copenhagen commitments for the acceleration of development in Africa. In that connection, ECA and UNDP have for the first time since the Summit jointly organized two subregional follow-up conferences to the Summit (Nairobi, 15–17 March 1999, for countries in eastern and southern Africa; and Marrakech, Morocco, 23–25 March 1999, for North African countries), to take stock of progress made since Copenhagen and advance the commonly agreed social development goals in the region. These conferences brought together government ministers, representatives from subregional and non-governmental organizations, bilateral development partners and multilateral institutions, and others. Participants examined progress made by African countries in four main areas: poverty reduction; employment creation; the provision of social services for all; and governance. They also looked into further efforts towards meeting the goals set by the Summit. Other related issues discussed included the need for Governments to place poverty eradication at the top of the national agenda; the debt burden; women's access to and control of productive assets, such as land and credit; and enhancing the human capital of the poor by ensuring their access to basic health care, education, nutrition, productive employment and sustainable livelihoods.

Commitment 8. Inclusion of social development goals in structural adjustment programmes

70. It is now generally accepted that the process of adjustment has failed to reconcile the objectives of adjustment with the needs of the most vulnerable socio-economic groups in many countries undergoing structural adjustment. As noted in document E/CN.5/1999/4, although the multilateral financial institutions have acknowledged the importance of protecting or compensating the poor for the adverse effects of adjustment measures, the poor nevertheless continue to bear the brunt of hardships arising from macroeconomic and structural adjustment.

71. There is therefore a need, as was emphasized at the thirty-seventh session of the Commission for Social Development, for closer international cooperation and assistance to countries' ability to provide universal access to social services. Most important, as reflected in the Copenhagen Programme of Action, is the effort to foster an enabling international environment for social development. Such an environment should create conditions in which all countries can experience economic growth that can in turn generate resources for the provision of social services. More immediate and direct assistance can also be provided to strengthen the supply of resources available for service provision, including alleviating debt burdens for developing countries and increasing official development assistance to reach agreed targets.

72. The Commission reaffirmed the importance of adopting more socially sensitive approaches to structural adjustment, and encouraged efforts to integrate a social perspective into structural adjustment programmes. It agreed that stabilization and structural adjustment packages must pay attention to social needs and the provision of safety nets for the most vulnerable and marginalized.

73. Activities have been undertaken to improve the capacity of social partners to be better informed and better prepared to discuss and negotiate the different aspects of structural adjustment policies. National and regional seminars have taken place under ILO auspices, indicating the priorities for trade unions and employer organizations and the necessity for countries engaged in structural adjustment processes to set up tripartite institutions which would allow social partners to negotiate on structural adjustment policies.

74. The Bretton Woods institutions have supported greater openness, including civil society and social partners, in the policy dialogue on structural adjustment policies. Recent policy statements by the Managing Director of the International Monetary Fund (IMF) and the Senior Vice-President for Development Economics of the World Bank reflect these concerns, and in a number of countries a fruitful collaboration with representatives of Bretton Woods institutions has taken place. However, further sensitization to the social impact of economic reform remains a need for those — both from international and bilateral financial institutions — advocating and implementing structural adjustment programmes. This is complicated by the fact that in most countries the discussion on adjustment is channelled through the ministries of finance and economic affairs, which often have too little contact or exchange with labour and other social ministries. Hence, there is a need to increase the capacity of these ministries responsible for social sectors in the intra-governmental dialogue on structural adjustment.

75. As regards the employment content of structural adjustment, various studies have been undertaken for Africa, Latin America and Asia, as well as in Eastern Europe, emphasizing the need for proactive measures in terms of fiscal, investment, industrial and trade policies in order to increase the employment content of structural adjustment. Regarding the decline in social services and other social impacts of structural adjustment, the ILO has continued, through its advocacy of programmes of employment intensive work, to improve the situation of the workers affected by structural adjustment programmes. Special attention has been given to women who are often the first victims of large-scale economic reform processes due to their dual roles as income earners and caretakers. Women are often called upon to supplement declining family income at times of crisis and to care for children when schooling and health infrastructure is deteriorating, and hence more attention from the family is demanded.

76. A subregional meeting was organized by ILO on economic reform, employment and the role of the social partners at Dakar in April 1998. The meeting included trade union and employer organizations, as well as representatives of ministries of labour and finance and academics. The participants looked at the impact of economic reforms on labour issues and discussed how the participation of social partners and civil society could make the reform process more sustainable, leading to a better distribution of its fruits.

Commitment 9. Allocation of resources for social development

77. At its thirty-seventh session, the Commission for Social Development reiterated the need to augment the resource base for social development at national and international levels, as well as to increase efficiency in the use of available funds. It was recognized that insufficient funding of social projects is an impediment to achieving a close integration of economic and social objectives. In the face of acute budgetary constraints in many

developing countries and transition economies, intensified by the worldwide financial crisis, efforts to improve financing of the social sector must be seen in the perspective of a host of competing claims upon national treasuries.

78. The Commission also underscored that enhanced financing of social development requires a strong political commitment by the international community, as well as well focused efforts to mobilize human and financial resources. Aside from the mobilization of domestic and international financial resources, effective implementation must be based on comprehensive strategic thinking, including a clear identification of capacities and constraints at national and international levels. In many countries, particularly in those with low incomes, there is a clear need to strengthen institutional capacity to implement the assistance programmes. Within the national context, the overall national commitment to achieve higher socio-economic targets is often crucial in order to enable the translation of poverty eradication objectives and other goals into country activities. An effective use of resources, along with a capability assessment of stakeholders in the development process, will help in addressing the challenges brought about by the fiscal squeeze and budgetary shortfalls which many countries have been experiencing. For example, one innovative means to stretch limited development resources further is to adopt employment-intensive technologies for infrastructure investments. Research and operational programmes in developing countries have shown that a variety of basic infrastructure, often of direct benefit to the poor, lend themselves to labour-intensive methods and can be implemented in a cost-effective and high-quality fashion. Such policies therefore increase impact on employment and poverty alleviation within the constraint of available resources.

79. The availability of adequate funds for social development remains a critical issue. The international community has an important stake in assisting developing countries in reducing the scale of poverty and deprivation through development cooperation. In particular, urgent donor efforts are needed to improve the socio-economic situation in the poorest developing countries. Confronting reduced aid flows amid falling commodity prices and decreased export earnings, these countries have limited access to private financial resources. Moreover, in the wake of the financial crisis, greater financial reward is demanded by private investors for lending to many developing countries due to perceived higher risks, creating additional financial constraints on growth.

80. As indicated in document E/CN.5/1999/4, ODA has been an important source of resources for supporting social development in recipient countries. The report also provided some preliminary estimates of ODA flows from donor countries to recipient countries in 1997. Updated statistical data released by the OECD Development Assistance Committee in February 1999 shows that since 1992, overall flows of ODA have fallen by more than 20 per cent in real terms. Measured as a percentage of gross national product (GNP), ODA volume has fallen from a historic norm of 0.33 per cent of the combined national product of DAC members (until 1992) to an unprecedented low of 0.22 per cent in 1997.[22] Three Nordic countries (Denmark, Norway and Sweden) and the Netherlands continue to be particularly generous, representing the only four donors whose share has exceeded the 0.7 per cent target set by the United Nations. At the other end of the scale, the ODA provided by the United States has now fallen below 0.1 per cent of the country's GNP — the lowest share among DAC members. While the percentage of aid allocated by DAC member States to countries in great need remains almost constant, the decrease in the total dollar volume of aid means a reduction of volume of funds transferred to countries in greatest needs.

[22] See OECD, op. cit.

However, according to DAC estimates, that smaller dollar volume appeared to be better targeted towards attaining goals in the social sectors, such as education, health or water.[23]

81. Continuation of the current adverse trends jeopardize adjustment and reform programmes, including social agendas, in a large number of low-income countries.[24] At its thirty-seventh session, the Commission reiterated that the attainment of the agreed target for ODA of 0.7 per cent of GNP, as well as the target 0.15 per cent of GNP for ODA for the least developed countries, are important requirements for mobilizing resources for social development in developing countries. Donor countries that have met the 0.15 per cent target will seek to undertake to reach 0.20 per cent. In the last few months, several developed countries announced their intention to increase their share of ODA in GNP.

82. External debt problems continue to constitute one of the most serious constraints to the social development of many developing countries, particularly the least developed countries. Concern over the debt crisis and its consequences has prompted the leaders of Canada, France, Germany, the United Kingdom of Great Britain and Northern Ireland and the United States of America to propose new initiatives regarding the debt of the poor countries. Consideration of these initiatives is being put on the agenda of the Group of Seven/Eight meeting at Cologne, Germany, in summer 1999.

83. While the payments capacity of many of these countries have deteriorated, the overall issues of development finance have come to the fore on the international agenda. The General Assembly, in its resolution 52/179, decided to consider at its fifty-fourth session the convening, not later than the year 2001, of "a summit, international conference, special session of the General Assembly or other appropriate high-level international intergovernmental forum on financing for development with the aim of furthering the global partnership for development. An open-ended working group has been created to prepare this meeting.

84. At the thirty-seventh session of the Commission for Social Development, the agreed conclusions adopted on the issue of "social services for all" also underscored the need to look into some innovative approaches to mobilization of resources for social development. One instrument of poverty reduction — the 20/20 initiative — continues to be widely discussed among the partners in development cooperation. While a critical analysis of the contribution of the 20/20 initiative to the promotion of basic social services was urged, interested parties also underscored that the initiative leads to the combination of efforts of both donors and recipients of aid in a most visible way, matching domestic funds with an equal amount of foreign financial resources. In this regard, the importance of agreeing on a mutual commitment between interested developed and developing countries was reaffirmed by the Commission. It was also stressed that the General Assembly at its special session should consider reports by the World Bank, UNDP, UNICEF, UNFPA, DAC and other multilateral organizations on the various dimensions of the implementation of the 20/20 initiative. Apart from the economic issue, there is a visible link between the provision of basic social services and human rights issues, particularly in the context of the International Covenant on Economic, Social and Cultural Rights. The joint effort of public agencies, the private sector and civil society organizations to promote the 20/20 initiative may be particularly valuable in the delivery of social services. A coordinated effort is important not only in ensuring basic financing but also for social impact assessment, the setting of standards and the evaluation of implemented programmes.

---

[23] Ibid.

[24] See "World economic situation and prospects for 1999", Department of Economic and Social Affairs/UNCTAD joint report, New York, 1999.

85. The issue of resources for social development has gained prominence in the countries of the former USSR and Eastern Europe, where the overwhelming economic and political change has proven to be painful, if not traumatic, creating previously unknown hardships among vast segments of the population. The emergence of persistent poverty (in the 1990s, according to a UNDP estimate, the number of the poor increased in these countries by over 150 million[25]) and the plight of these "new poor" have become matters of great concern. While the establishment of new mechanisms for social protection better suited to the needs of market economy is a critical task in the transition process, the financial and technical aspects of this assistance within this context cannot be overlooked.

Commitment 10. International cooperation for social development

86. The World Summit for Social Development was a landmark event for the international collaboration in the field of social development. It has brought to the fore the recognition that social development is an integral feature of domestic and international policy, and that economic programmes and projects all have social dimensions. The importance of an integrated and comprehensive implementation of the commitments made by the Summit was reaffirmed by the Commission for Social Development at its thirty-seventh session.

87. While mobilization of resources for social development has been an integral part of international cooperation in this field, the framework and scope for joint efforts is much wider. The Declaration and Programme of Action of the Summit called for better coordination of activities of the United Nations system, including technical assistance and cooperation, as well as promoting capacity-building measures at various levels. The United Nations also has been making strides in enhancing the system's capacity for gathering and analysing information and developing indicators of social development.[26]

88. As the impact of the international economic environment upon the attainment of social development goals have been recognized by the international community, mutually agreed and coordinated measures to improve the functioning of the world economy have distinct social connotations. Lower inflation, for example, is not only an important monetary target but in a sense a social one as well, in as much as it is beneficial to the lower income groups of the population. On the other hand, over-concentration on low inflation may foreclose effects to stimulate demand and increase employment. In a broader sense, the attainment of an economically sound and stable domestic environment is crucial for all countries since it increases the effectiveness of the arrangements at the national and international levels to overcome poverty, increase employment and enhance social integration.

89. The February 1999 meeting in Germany of the finance ministers and central bank governors of the Group of Seven/Eight industrialized economies, together with the Managing Director of IMF and the President of the European Central Bank, produced a warning that market conditions have worsened in some regions and that the outlook for economic growth has become somewhat less favourable since autumn 1998. Having committed themselves to a domestically based strategy to achieving more balanced growth, reducing imbalances and supporting recovery in emerging market economies, the Group also pledged strong cooperation to promote stability of the international monetary system and announced the launching of a financial stability forum to help avert future global crisis. The forum,

[25] See UNDP, "Poverty in transition?", report of the Regional Bureau for Europe and the Commonwealth of Independent States, New York, 1998.

[26] In accordance with Economic and Social Council decision 1998/290 of 31 July 1998, a report has been prepared by the United Nations Statistics Division on harmonization and rationalization of development indicators, to be presented to an informal Council meeting on development indicators on 10 and 11 May 1999.

composed of 35 participants, including international regulatory bodies, would seek to serve as an early-warning system, strengthening existing arrangements for supervision and surveillance of the international financial system. The Group indicated that they hoped to reach an agreement on debt relief for the poorest highly indebted countries by the summit at Cologne in June 1999.

90. The Group of Eight Conference of Ministers of Labour, which took place at Washington, D.C., on 24 and 26 February 1999 (see para. 33 above), was devoted to the theme "Labour policies in a rapidly changing global economy". The participants agreed that there was a need to make better use of international organizations to help establish the labour market institutions and strong social safety nets necessary to enhance growth, employment and social cohesion. The Conference also stressed that globalization provides great opportunities but also carries risks for workers and challenges for policy makers.

91. Solving specific problems often calls for a strengthening of regional cooperation on economic and social matters, including enhancing cooperation structures and making management more effective. Within the United Nations system, one of the recent examples includes the Economic Commission for Europe (ECE) regional inter-agency coordination meeting chaired by the Deputy Secretary-General and attended by heads of agency regional offices in Europe. The meeting underscored the need for a mechanism that would facilitate a common overall assessment of trends and priority needs for assistance in the region. This would serve to facilitate adjustments in the definition of goals by various organizations with a view to enhancing synergies and promoting closer inter-agency cooperation at the country level. In the Economic and Social Commission for Asia and the Pacific (ESCAP) and Economic Commission for Latin America and the Caribbean (ECLAC) regions, second regional follow-up conferences are planned for the last quarter of 1999 and the first quarter of 2000, respectively. Regional and subregional meetings were convened by the Economic and Social Commission for Western Asia (ESCWA) and ECA in December 1998 and March 1999.

92. Four years after Copenhagen, the increasing scope of collaboration by different actors and the emergence of new partnerships has become one of the most salient and important features of cooperation for social development. While coherent and well-focused government efforts remain an integral element of social development framework, involvement of civil society and private sector proves to be highly beneficial for attaining both specific social targets and equitable development. Strengthening social institutions has also been an essential element of domestic and international capacity-building. Forging new partnerships at the national and international levels permits improvement in the design, implementation and evaluation of social programmes, as well as the identification of new areas of cooperation.

III. Conclusion

93. It will be recalled that the Committee, at its organizational session in May 1998, requested the Secretary-General to submit to its second substantive session in April 2000 a comprehensive document assessing the overall level of implementation of the outcome of the Summit, including the identification of constraints, obstacles and successes and lessons learned, as well as recommendations on further actions and initiatives at the national and international levels.

94. In order to assist the Secretary-General in preparing this report, the Committee also requested the Secretary-General to formulate general guidelines and a structure and common

framework for national reporting on the progress made and obstacles encountered, and to invite Governments to provide information. These guidelines were prepared and forwarded to Governments in October 1998 by the Secretary-General, with a deadline for response of 30 June 1999. The Secretary-General wishes to invite Governments to submit their responses as soon as possible in order to enable the Secretariat to complete the report in time for consideration by the Committee at its second session.